

CALIFORNIA ENERGY RESOURCES CONSERVATION  
AND DEVELOPMENT COMMISSION  
COMMITTEE HEARING

INFORMATIONAL MEETING AND SITE VISIT  
ROSEVILLE ENERGY PARK

CITY OF ROSEVILLE  
ROSEVILLE ENERGY PARK CLUBHOUSE  
ROSEVILLE, CALIFORNIA

WEDNESDAY, JANUARY 28, 2004  
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A P P E A R A N C E S

STAFF PRESENT

Susan Gefter, Hearing Officer  
 Bob Eller, Project Manager  
 Kerry A. Willis, Staff Counsel  
 Christopher Tooker, Advisor to Commissioner  
     Geesman  
 Margret Kim, Public Advisor

ALSO PRESENT

Scott Galati, Galati & Blek LLP  
 Douglas M. Davy, CH2M Hill  
 Andrea Grenier, Grenier & Associates  
 Robert Hren, Roseville Electric  
 Morteza Sabet, Western Area Power Administration  
 Brian Jensen, Sr. Field Representative to  
     Representative John T. Doolittle  
 Christopher Grimes, Roseville Joint Union High  
     School District  
 Tom Habashi, Roseville Electric  
 F.C. "Rocky" Rockholm, Mayor, City of Roseville  
 Don Duffy, Placer County Air Pollution Control  
     District  
 Michael T. Applegarth, Field Representative to  
     Assemblyman Tim Leslie  
 John Finnell, Placer County Air Pollution Control  
     District  
 Fred Lohse, citizen of Roseville  
 Rod Smith, NEC and citizen of Roseville  
 Blaine Arrington, citizen of Roseville

I N D E X

	Page
Opening Comments, Hearing Officer Gefter	1
Introductions	3
Purpose of Today's Hearing	15
Presentations by the Parties	
Applicant	22
Staff	35
Public Advisor's Report	42
Public Comment and Questions	49
Issue Identification Report and Scheduling	54
Conclusion	82
Reporter's Certificate	84

## P R O C E E D I N G S

HEARING OFFICER GEFTER: Welcome to the Energy Commission's Informational Hearing on the Roseville Energy Park, which is sponsored by the City of Roseville Electric Utility.

My name is Susan Gefter, I'm a Hearing Office for the California Energy Commission. The California Energy Commission is the state agency that licenses power plants that are over 50 megawatts, and we license them all over the state of California.

There are five Commissioners on the Energy Commission, and when we get a power plant case like this the Commissioners assign two members to a Committee. So this is a Committee Hearing.

My role is, I'm the Hearing Officer on the Committee, and I provide legal advice, and I also usually run these hearings. And the two Commissioners that were assigned to this case are Commissioner John Geesman would be the Presiding Member. Unfortunately he couldn't join us this evening due to a family medical emergency. However, his Advisor, Chris Tooker, is here with me in the front.

1           The other Commissioner is Art Rosenfeld,  
2   he's the Associate Member, the Second on this  
3   Committee, and unfortunately he had another  
4   commitment as well.

5           So we will proceed without the  
6   Commissioners this evening. However, in the  
7   future meetings we will have one or both  
8   Commissioners be in attendance.

9           The hearing will be transcribed. We  
10   have a reporter here. And the hearing will be  
11   posted on the Energy Commission's web site for  
12   anyone who wants to review what we're going to  
13   talk about this evening.

14           We also have this evening with us  
15   Margret Kim, she's our Public Advisor. She's  
16   standing over there in the pink shirt and dark  
17   jacket. And later in the hearing Ms. Kim will  
18   explain how the public can obtain information  
19   about how to participate in the public process.

20           That's the reason we're doing these  
21   public hearings, is to hear from the community in  
22   Roseville as to your questions and comments on the  
23   proposed power plant.

24           Before we proceed any further, I want to  
25   introduce the parties. And the reason we call

1     them parties is because, once the application  
2     comes to a Committee of the Commission, it becomes  
3     much more like a judicial process, we call it a  
4     quasi judicial process.

5             And the Applicant has the burden of  
6     proof to establish that their project is sound,  
7     both environmentally and from an engineering  
8     perspective. And our staff, which is the other  
9     party here, is an independent party. That means  
10    that they do independent analysis of the  
11    application and make a recommendation to the  
12    Committee.

13            And usually they can come up with an  
14    agreement with the Applicant on most of the  
15    issues, and if there is a disagreement they will  
16    litigate that matter before the Committee. And  
17    we'll explain that later today as well.

18            But before I go further, I'm going to  
19    ask the Applicant, the City of Roseville, to  
20    introduce themselves to the members of the public  
21    that are here today.

22            MR. GALATI: Thank you. My name is  
23    Scott Galati, and I'm the project counsel  
24    representing the Roseville Energy Park. And to my  
25    right is the Project Manager, Bob Hren. Sitting

1 in the audience is Tom Habashi, the Utility  
2 Director for Roseville.

3 We also have on the project team Andrea  
4 Grenier, who is the environmental project manager,  
5 and we also have Doug Davy, who is the AFC project  
6 manager. And that is our consultant team. We're  
7 supported by others that will introduce themselves  
8 if at any time they need to speak to address  
9 anything.

10 In addition, we'd like to make sure that  
11 the members of the City of Roseville that are  
12 present are introduced, and we have Mayor  
13 Rockholm from the City of Roseville. We also have  
14 two council members that are here today, City  
15 Councilmember John Allard and City Councilmember  
16 Richard Roccucci.

17 HEARING OFFICER GEFTER: Thank you. And  
18 in a minute I'm going to ask the Mayor to come  
19 forward and talk to us a little bit. Now let's go  
20 on and have the staff introduce themselves and the  
21 members of the staff that are in the audience.

22 MR. ELLER: Thank you, Ms. Gefter. I'm  
23 Bob Eller, the Project Manager for the Commission  
24 staff. With me this evening is Kerry Willis,  
25 staff counsel. In the audience we have a number

1 of members of staff, I'd like to have them raise  
2 their hands as I introduce them.

3 Roger Johnson is here, who's our manager  
4 of our Environmental office; Paul Richins, who's  
5 our Siting Project Manager; Eileen Allen, who  
6 manages our Land Use and Transportation staff;  
7 Ellen Townsend-Hough, who is a Waste Management  
8 Specialist; Gary Reinhol, who will be performing  
9 cultural resource analysis for us; Donna Stone,  
10 who is our Compliance Manager; Joe Loyer, our  
11 Quality Specialist for the project; David Flores,  
12 our Land Use Analyst; Dr. Obed Odomelam -- I'll  
13 get this right eventually, Obed -- who's our  
14 Public Health Specialist, and also our  
15 Transmission and Safety and Nuisance Specialist;  
16 and Richard Lateri, who is our Soil and Water  
17 Specialist.

18 HEARING OFFICER GEFTER: Thank you. We  
19 also already have an Intervenor, who actually  
20 makes another party. And the Intervenor is the  
21 California Unions for Reliable Energy, or CURE,  
22 representing the pipe-fitters and construction  
23 workers who typically build power plants.

24 I don't think there's a representative  
25 here this evening of CURE, I don't see anyone.



1 But they are also going to be a party in this  
2 proceeding. They filed a petition which was  
3 granted by the Committee, and in fact when Ms. Kim  
4 speaks to you about what the Public Advisor role  
5 is she'll explain also how anybody can intervene  
6 and become a party to the proceeding if you  
7 choose.

8 We also have several public agencies in  
9 addition to the City of Roseville represented this  
10 evening. And I understand that there may be --  
11 and I have some names, I'm not sure if they're all  
12 here. Patty Dunn, Assistant City manager, I think  
13 was here today. And Ken Wagner, the Fire Chief,  
14 is here this evening. Also, is Tim Ippolito here?  
15 Yes, okay, thank you, from the Fire Department.

16 Rob Jensen, Public Works Director;  
17 Derrick Whitehead, Director of Environmental  
18 Utilities from the City of Roseville, not here  
19 this evening, all right. Is Art O'Brien from  
20 Environmental Utilities -- yes, in the back, thank  
21 you. And Paul Richardson, our Planning Director  
22 for the City of Roseville, also here. And William  
23 Boyer, the Public Information Officer for the City  
24 of Roseville.

25 So we have quite a turnout from the city

1 here this evening. Also, I understand that  
2 representatives from the Placer County Air  
3 Pollution Control District are here. Could you  
4 come up and give us your names please? Because I  
5 don't have your cards or your names, and that way,  
6 we're going to ask you to, if you don't mind, stay  
7 for the evening, so we can discuss air quality  
8 later tonight.

9 MR. FINNELL: John Finnell, Placer  
10 County Air Pollution Control District.

11 MR. DUFFY: And I'm Don Duffy.

12 HEARING OFFICER GEFTER: And do you have  
13 business cards with you this evening, for our  
14 Court Reporter, so they can spell your names?  
15 Thank you. Okay.

16 Also, is there anyone here from the  
17 Roseville Joint Unified School District? Yes,  
18 could you come up and give us your name, because I  
19 don't have your name this evening. And if you  
20 have a card, or if not, just spell it for the  
21 Court Reporter.

22 MR. GRIMES: Christopher Grimes, C-h-r-  
23 i-s-t-o-p-h-e-r G-r-i-m-e-s, Director of  
24 Facilities Development for the district.

25 HEARING OFFICER GEFTER: Thank you. I'm

1 glad you're here this evening. Thank you. Anyone  
2 else to represent a local public agency? Is there  
3 anyone else here this evening who would want to be  
4 introduced and -- I don't see any other names, and  
5 I don't see any other hands.

6 Well, we'll move on, but if anyone wants  
7 to speak to us later please let me know. I think  
8 there are also some community organizations here  
9 that may be represented. I haven't gotten  
10 anyone's names, but if there are any  
11 representatives of local community organizations  
12 you're welcome to come forward and give us your  
13 names now? Okay, I don't see anybody right now.

14 Also, from the media? I know we had  
15 someone here from Channel 31 earlier this evening,  
16 but I guess he already left.

17 At this point, I know the Mayor is here.  
18 Also, I think there is a Representative from  
19 Assemblyman Leslie's office? Mike Applegarth? Do  
20 you wish to address us as well? You have a  
21 message from the Assemblyman? Good.

22 And also, is there someone here from  
23 Congressman Doolittle's office? Brian Jensen.  
24 And do you also wish to address us? Good.

25 Okay. So what I'd like to do at this

1 point is welcome our elected officials and  
2 representatives to the hearing. We'd love for you  
3 to come forward and speak to us now. I'd like the  
4 Mayor, if you could, come up to the microphone and  
5 address us? thank you.

6 MAYOR ROCKHOLM: I can do that. You've  
7 introduced everybody I was going to introduce, so  
8 I don't really have anybody to introduce.  
9 (laughter)

10 And I'm also a member of the Placer  
11 County Air Pollution Control District. I'm one of  
12 the new members, so --.

13 HEARING OFFICER GEFTER: Good.  
14 Congratulations.

15 MAYOR ROCKHOLM: Good evening, members  
16 of the California Energy Commission, and good  
17 evening, Hearing Officer Susan Gefter and  
18 Commissioner Advisor Chris Tooker. As Mayor of  
19 the City of Roseville it's my privilege to speak  
20 to you tonight in support of our new Roseville  
21 Energy Park.

22 First, I want to thank the Commission  
23 and staff for conducting this meeting tonight in  
24 our community, and for arranging for the site  
25 tour. We appreciate your interest in this

1 project, and we look forward to working with you  
2 during the Commission's review process.

3 I also want to thank our elected  
4 officials who are here tonight, and you've  
5 mentioned those, Councilmember Allard and  
6 Councilmember Roccucci, Brian Jensen from  
7 Congressman Doolittle's office and Mike Applegarth  
8 from Assemblyman Leslie's office.

9 I'd like to also introduce Christi  
10 Archelares, who works for the Ferguson Group in  
11 Washington D.C. on our behalf and does a very good  
12 job for the City of Roseville.

13 And thank members of other agencies who  
14 are here, as well as my fellow Roseville residents  
15 and other citizens, who have taken time out of  
16 their busy schedules to be here tonight.

17 This is an important, positive project,  
18 with the Commission's approval, that will allow  
19 the Roseville citizens to control our own energy  
20 destiny. The Roseville Energy Park also will  
21 become a significant contributor to maintaining  
22 regional jobs and businesses that will help  
23 sustain economic vitality of Roseville in the  
24 south Placer County region.

25 For 93 years own, the city of Roseville

1 and its Roseville Electric Utility have maintained  
2 a long and proud history of providing reliable,  
3 low-cost power to residents and commercial  
4 customers.

5           The Roseville Energy Park will continue  
6 and extend this legacy of award-winning and  
7 reliable energy service for our customers for  
8 several decades by giving an environmentally  
9 sensitive power generation facility that is  
10 locally owned and operated by the city as a public  
11 municipal utility.

12           It is interesting to note that the  
13 Roseville Energy Park is exactly the kind that  
14 California Senator Dianne Feinstein recently urged  
15 our new Governor to help create throughout the  
16 state.

17           I'd also like to note that the  
18 Sacramento Bee, in an editorial written by the  
19 paper that was published on June 13th, 2003,  
20 referred to the City Council's action to move  
21 forward with our application to the Commission as  
22 a wise decision the outside world should take note  
23 of.

24           In fact the Bee, which tends to be very  
25 pro-environment and recently anti-Roseville in its

1 editorials, suggested that the only flaw with the  
2 Roseville Energy Park was that it was not even  
3 bigger. But we feel very confident that the  
4 overall size and scope of the project is a good  
5 match for our community.

6 I know there are several other people  
7 here tonight to speak in favor of the Roseville  
8 Energy Park, so I'd just like to conclude my  
9 comments by thanking you for your attention, and  
10 ask your approval and support of this much-needed  
11 power generating facility. Thank you.

12 HEARING OFFICER GEFTER: Thank you,  
13 Mayor Rockholm. Mr. Applegarth?

14 MR. APPLEGARTH: Thank you very much.  
15 I'm Mike Applegarth, the District Director for  
16 Assemblyman Tim Leslie, and the Assemblyman asked  
17 me to be here tonight to read a brief letter of  
18 support into the record.

19 And it says "Dear Committee Members, at  
20 the height of the energy crisis my office fielded  
21 hundreds of inquiries from constituents concerned  
22 about escalating electricity rates, or the latest  
23 round of rotating outages. Few, if any, of those  
24 frustrated callers lived within the city of  
25 Roseville."

1           "As we began to understand then, and  
2 understand even better now, well-managed municipal  
3 utility districts and their customers were largely  
4 shielded from the affects of the crisis. The City  
5 of Roseville and Roseville Electric recognize  
6 that, although escalating rates and rotating  
7 outages have halted, the need for additional  
8 electricity production has not."

9           "Now is the time for Roseville Electric  
10 to enhance ratepayer protection against future  
11 electricity price spikes, reduce dependence on  
12 outside contracts and the state's transmission  
13 system, and begin generating reliable electricity  
14 for the citizens of Roseville."

15           "I commend Roseville Electric and the  
16 City of Roseville on their effort to build a 160-  
17 megawatt generation facility. This is a forward  
18 thinking move towards electricity self-reliance  
19 that will greatly benefit the community for many  
20 years."

21           "Please give the Roseville Energy Park  
22 your careful consideration as you review this  
23 application. Sincerely, Tim Leslie, Assemblyman,  
24 Fourth District."

25           HEARING OFFICER GEFTER: Thank you, Mr.



1 Applegarth, and that will be in the record. Also,  
2 Mr. Jensen?

3 MR. JENSEN: Representatives of the  
4 Commission, I appreciate the opportunity to speak  
5 on behalf of this project. I think this is a  
6 great example, not only for this community, but  
7 for the state of California at large, to see how  
8 the City of Roseville is taking charge of its own  
9 destiny, is looking forward with vision, meeting  
10 future needs as well as existing needs.

11 The state is behind the curve on meeting  
12 its infrastructure needs, and matching those vital  
13 facilities for power generation, for water supply,  
14 for transportation systems, to the demands that a  
15 growing population and our growing commercial and  
16 agricultural needs place on those facilities.

17 This is a great example of looking  
18 forward and not trying to be caught unprepared for  
19 what is coming down the road in years to come. I  
20 think, specifically when you look at the location,  
21 as many of us just did, going out on the bus tour  
22 of the proposed site, when you look at the  
23 symbiotic relationship that it will have with the  
24 water treatment facility that is out there, the  
25 state-of-the-art large scale water treatment

1 facility that will work together with the Energy  
2 Park in supplying water for its purposes, it just  
3 shows good planning.

4 And the Congressman is very excited for  
5 what Roseville is doing in looking out for its  
6 ratepayers, looking out for its customers, who  
7 need to rely on low-cost, reliable energy, which  
8 -- as has been stated already and as all of you  
9 are painfully aware -- the state of California is  
10 in a situation.

11 And despite a temporary band-aid on the  
12 problem that we have, there is a bunch of work  
13 that needs to be done to make sure that we can  
14 provide the kind of services that the people of  
15 California really deserve and expect.

16 So the City of Roseville is to be  
17 commended for its initiative, and the Congressman  
18 would encourage the Commission to look favorably  
19 on this application. Thank you very much.

20 HEARING OFFICER GEFTER: Thank you, Mr.  
21 Jensen. And again, those remarks will be included  
22 in the transcript of the record. Is there any  
23 other elected official or city councilman who  
24 would like to address us at this time?

25 Well then, we'll move on. I want to

1 give you just a little bit of background before we  
2 hear the presentations from the parties.

3 The Commission began the review of the  
4 Roseville Energy Park on December 17, 2003, when  
5 we found that the application was adequate. And  
6 that's a technical term, but it means that there  
7 was enough information for us to proceed on the  
8 application.

9 The purpose of today's hearing is to  
10 discuss the licensing process and explain it to  
11 the members of the public, and to identify issues  
12 of concern related to the project development.

13 Earlier today, as Mr. Jensen mentioned,  
14 we toured the proposed site as scheduled in the  
15 Notice of this hearing. The Notice was mailed on  
16 January 5th to all the parties, to the landowners  
17 nearby the site, the interested governmental  
18 agencies, and other individuals in the Roseville  
19 community.

20 We also published the Notice in the  
21 Roseville Press Tribune on January 21. And it  
22 looks like a lot of people saw the notice because  
23 we hae a full crowd this evening.

24 Today's hearing is the first in a series  
25 of Commission events that will extend over the

1 next 12 months. And that's an estimated time  
2 frame. We expect it will take about 12 months to  
3 review the application and for the Committee to  
4 process this proceeding. And, you know, to take  
5 public comment and to review everything.

6 It's called a 12 month process, which  
7 is, our statute basically sets that up for the  
8 Commission when we review projects such as this.  
9 It could be a longer period of time, it just  
10 depends on whether we need more information. At  
11 the end of the review period we issue what we call  
12 a Proposed Decision, which contains our  
13 recommendations on the project.

14 The Proposed Decision will be based  
15 solely on the record being established during  
16 evidentiary hearings, which will occur later in  
17 this period of time. And after the Proposed  
18 Decision is issued, the public will have an  
19 opportunity to comment on the Proposed Decision.

20 Eventually that Proposed Decision, plus  
21 the public comments, go to the full Commission,  
22 the five member board, and they will consider the  
23 recommendation of this Committee.

24 Now, I want to explain also about this  
25 process, because we call it, as I said earlier, a

1 quasi judicial process. To preserve the integrity  
2 of this licensing process the Commission's  
3 regulations prohibit private contacts between the  
4 parties and the Committee. That means that the  
5 staff and the Applicant, and CURE or any other  
6 individual or organization that intervenes, are  
7 prohibited from private communications with  
8 Committee members.

9 This is called the ex parte rule. All  
10 contact between the parties and the Committee  
11 regarding the substantive matter must occur in the  
12 context of a public hearing, such as today's  
13 hearing, or in the form of a written communication  
14 that will be made available to the public.

15 And therefore -- the reason for this is  
16 that the ex parte rule ensures that full  
17 disclosure of all substantive information that can  
18 be used as a basis for the decision in this  
19 project is made public to those interested in the  
20 project.

21 Over the next several months the staff  
22 will conduct public workshops to provide  
23 opportunities for the public to discuss the  
24 substantive issues with the parties and the  
25 governmental agencies involved in the review

1 process.

2 Again, communications between the  
3 parties and the governmental agencies will be  
4 summarized in written reports, and those will also  
5 be available to the public if you can't attend the  
6 workshops.

7 Information regarding workshops and  
8 hearing dates and other events are also on the  
9 Commission's website. So, if you don't receive a  
10 notice in the mail you can always look it up on  
11 the web site and staff will later tell you what  
12 the web page is.

13 During the hearing this evening, which  
14 is an informational hearing -- and this is not an  
15 evidentiary hearing, so that means we're not  
16 taking evidence under oath this evening, it's more  
17 of an informal event just to present some  
18 information to members of the public.

19 First we'll ask the City of Roseville to  
20 describe the project. And they have set up a  
21 Powerpoint presentation for us. And then, after  
22 that the Commission staff will explain the  
23 process, what steps will be undertaken to review  
24 this project.

25 And then after the staff's presentation

1 we'll ask the Public Advisor to speak and explain  
2 how members of the public can participate and  
3 either intervene as a formal party or participate  
4 with public comment.

5 And then, following that, we'll have  
6 public comment. We'll ask you to come forward and  
7 ask your questions, and both the staff and the  
8 Applicant will try to answer your questions or  
9 direct you to someone who can.

10 And then after that we're going to go on  
11 and discuss the staff's Issue Identification  
12 report, which is a report that indicates which  
13 issues we think might be contested during this  
14 process, which ones there are still some concerns  
15 about.

16 So, with that, at this point I think  
17 we'll go forward and we'll have the Applicant make  
18 a presentation about the project. And Mr. Tooker  
19 would like to make a comment first.

20 MR. TOOKER: I would just like to say  
21 briefly, on the part of the Committee, that they  
22 do look forward to an open and constructive  
23 dialogue on this project, a public dialogue, to  
24 allow them to make a timely decision in  
25 recommendation to the full Commission.

1           And it will require open and  
2     constructive dialogue and involvement, and we look  
3     forward to that, and to a decision on the project.  
4     Thank you.

5           HEARING OFFICER GEFTER:   And with that  
6     we'll begin with the Applicant, Mr. Galati.

7           MS. GRENIER:   Actually, I'm going to  
8     take it from here.

9           HEARING OFFICER GEFTER:   Okay, Andrea  
10    Grenier then.   Ms. Grenier is the consultant to  
11    the Applicant on this project.

12          MS. GRENIER:   Yes, good evening, thank  
13    you very much.   We appreciate the opportunity to  
14    make our presentation this evening.   And I just  
15    want to explain how it's going to work.

16          The Electric Utility Director, Tom  
17    Habashi, is going to make opening comments with  
18    respect to the local and global benefits of our  
19    project, and also describe the previous public  
20    involvement, public outreach activities that have  
21    occurred to date, prior to this evening's  
22    activity.

23          And then we'll turn it over to Bob Hren,  
24    the Project Manager, who will describe the project  
25    in detail.   I want to mention that, in case folks



1 are not aware, copies of our presentation are in  
2 these booklets that are on the table in the back  
3 of the room. So if you haven't picked one up, you  
4 can pick one up at the end of the evening, there  
5 should be plenty.

6 So Tom, I'll turn it over to you.

7 HEARING OFFICER GEFTER: And before Mr.  
8 Habashi begins, I forgot to mention that, if  
9 anyone does have a comment, we do have blue cards  
10 from the Public Advisor.

11 I know she mentioned that to many people  
12 who came in earlier, but these are little cards  
13 that look like this. And they are up at the front  
14 desk here, and if anyone wishes to address us  
15 later in the evening we'd appreciate your filling  
16 out one of these blue cards and handing it to Ms.  
17 Kim, or her assistant Mike -- and I don't know  
18 where Mike is, but he's around -- and Kim is in  
19 the back. Thank you. Mr. Habashi?

20 MR. HABASHI: Good evening, Mr. Tooker,  
21 Ms. Gefter. We want to welcome you tonight,  
22 welcome the CEC staff. We are very pleased to  
23 work on this project with you.

24 First, let me share with you some of the  
25 global benefits that we believe this project will

1 have for this region. One of the things that  
2 you're well aware of is that there's not enough  
3 generation in California.

4 I know various agencies differ on that,  
5 whether we need it in 2005 or 2006, but the thing  
6 that we all know is that there is not enough  
7 generation in California, and this project will  
8 increase the portfolio that we have here in the  
9 state by 160 megawatts.

10 Transmission congestion is an issue,  
11 especially here in the Sacramento region. We know  
12 that certain times, in the summertime, because we  
13 are importing a lot of power from the outside, we  
14 find ourselves in a situation where we have  
15 voltage drop and we have to drop load in order to  
16 improve the picture some.

17 So we have congestion that needs to be  
18 dealt with, and we think this project, because  
19 it's local, will deal with that.

20 Finally, the benefit to the environment.  
21 As you're well aware, once you bring in new  
22 generation to the state, what happens is those  
23 with old, inefficient generation begin to repower  
24 the units, or at least begin to improve the  
25 efficiencies on those generators.

1           So we think globally we benefit the  
2   state by retiring some of those old, inefficient,  
3   perhaps not very environmentally friendly  
4   generation that we have.

5           When I go into the local benefits,  
6   obviously we are doing this to benefit Roseville.  
7   One of the things we have here, as Bob's going to  
8   share with you later on, about 99 percent of the  
9   power that we use here in the city is generated  
10  elsewhere, by perhaps generators that are 200  
11  miles, 400 miles, even in a different country for  
12  all we know.

13          That has worked in the past, when we had  
14  a different regime. Now, with deregulation and  
15  competition in the industry, we think that is,  
16  from a local perspective, not good for Roseville,  
17  and we think we would like to have some generation  
18  here in town that we can control ourselves.

19          Increased reliability is obvious. Once  
20  you bring the generation locally you improve the  
21  reliability. That's something that you're going  
22  to hear from a number of our industrial customers  
23  that are coming to speak on the project.

24          Last, we have the cost stabilization.  
25  We can, of course, hedge the risks that we have on

1 the electricity market. However, the cost for  
2 that hedging is very expensive because the  
3 electricity market is trading very thinly. So  
4 when we replace that with gas hedging we think we  
5 can stabilize the cost somewhat for us.

6 Next is the number of things that we  
7 have done in the past in order to reach our  
8 community and tell them about this project. There  
9 were a number of outreach events that we  
10 participated in. We conducted about 14 different  
11 workshops to talk about the project in different  
12 parts of town.

13 A number of news releases. Various  
14 articles in the local paper. We've been in a  
15 local program called Focus Program with a number  
16 of council members describing the project and  
17 talking about it. Newsletters, everything we've  
18 issued lately have something to talk about the  
19 Roseville Energy Park. So we are doing everything  
20 that we can to reach the community.

21 The last thing I want to share with you  
22 before I ask Bob Hren to talk about the project --  
23 I did a week or two ago ask a few of our experts  
24 is it possible that a 12 months process can take  
25 less than 12 months.

1           And after I heard a few chuckles there  
2   was a comment made that "that probably would be  
3   the first time, Tom." I, probably as much as you  
4   do, believe that there is always a first time for  
5   everything.

6           In Roseville we have a motto, if  
7   somebody has to be first, that somebody better be  
8   us.

9           With that, I'm going to ask Bob to come  
10   in and talk about the project itself.

11           MR. TOOKER: We actually have had  
12   projects licensed in less than 12 months. It is  
13   possible.

14           MR. HABASHI: Oh, great.

15           MR. HREN: Hello, my name is Bob Hren.  
16   I'm the Project Manager for Roseville Electric for  
17   the Roseville Energy Park.

18           I'd like to just review the status of  
19   the project, and the progress we've made over the  
20   last six months or so. In June we completed a  
21   feasibility study. We presented that to the City  
22   Council, and at that time the City Council  
23   authorized moving forward with preparing the  
24   Application for Certification to send it to the  
25   California Energy Commission.

1           During that time we looked at four  
2 possible sites, I'll talk about that in just a  
3 moment. We looked at the preliminary design for  
4 the facility, which folded into the Application  
5 for Certification. We submitted that to the CEC  
6 on October 30th, and as was mentioned a bit  
7 earlier, we received what's called data adequacy  
8 on December 17th. That starts the 12 month  
9 process that we're in today.

10           Talking about the feasibility study, we  
11 did look at 11 different configurations for this  
12 power plant. We looked at different sizes,  
13 different technologies. We settled on a 160  
14 megawatt combined cycle facility, and I'll talk  
15 about what that means a little later in the  
16 presentation.

17           But basically the size fits the  
18 Roseville Electric demand. As Tom mentioned, very  
19 little of the power today is generated locally,  
20 less than one percent. With Roseville Energy Park  
21 that will rise to about 65 percent. And so it  
22 captures some of those benefits of local  
23 generation and local control over the resource.

24           But additionally that size fits the  
25 available water for cooling from the Pleasant

1 Grove Wastewater Treatment Plant, and it fits the  
2 PG&E pipeline, gas pipeline capacity very well.  
3 So this size, from a number of different  
4 perspectives, proved to be just the right size for  
5 this utility.

6 I mentioned we looked at four alternate  
7 sites. We looked at what's called the Roseville  
8 Electric Berry substation. We looked at what's  
9 called the NCPA CT1 site, it's a combustion  
10 turbine site just north of Roseville. We looked  
11 at the Elverta substation just west of Roseville,  
12 outside of the town. And we looked at the  
13 Pleasant Grove wastewater treatment plant site  
14 just north of the site, the one that we went to  
15 today on the trip.

16 We looked at 14 different criteria, and  
17 I'll talk about some of those. And some of the  
18 five most important criteria favored the Pleasant  
19 Grove Wastewater Treatment site that we finally  
20 selected.

21 It is owned by the city, that property  
22 is part of the city. It's adjacent to a proposed  
23 and planned 60 kilovolt transmission line,  
24 therefor our interconnection is extremely short,  
25 just 100 feet or so.

1           It's adjacent to the recycled water  
2   plant, so that the connection for the supply of  
3   water for cooling this facility is right there, a  
4   very short pipeline. We have a relatively short  
5   connection to the PG&E gas line, and we followed  
6   that route in today's site visit.

7           And finally and most importantly, we  
8   determined that that site has the lowest  
9   environmental impact, primarily because of the  
10   short distances for these connections to the grid  
11   and to the water and to the gas line.

12          Some of the key elements of the facility  
13   design -- and if you look at the Application for  
14   Certification there's a lot of technical detail  
15   there -- but I'd like to talk about just a couple  
16   of aspects that we think are very important.

17          We are using what is called Best  
18   Available Control Technology. That means that the  
19   combustion turbines are state-of-the-art, they're  
20   very advanced, some of the most modern available,  
21   very efficient. They have very low emissions.  
22   They're designed that way, and they've made great  
23   advances over the past few decades in lowering  
24   emissions from power plants, and we will be using  
25   some of the very lowest emissions available.



1           But in addition, we use what's called  
2   the catalyst. I won't get into the technical  
3   names, but it's very similar to the catalytic  
4   converter in your car. It reduces nitrous oxide  
5   emissions. So we're using what's called Best  
6   Available Control Technology to reduce the  
7   emissions from the facility.

8           But in addition, even though our  
9   emissions are very low, we have to what's called  
10   offset the emissions. That is, we find other  
11   sources of emissions and reduce them or take them  
12   out of service, or apply emission reduction  
13   credits, where this has already been done, to  
14   reduce emissions, so that we actually reduce  
15   emissions to a greater extent than the new  
16   emissions we put out into the atmosphere.

17           So the ERC's are at a ratio of at least  
18   1.3 to one. So the net result is a reduction to  
19   the regional air basin.

20           The second point I want to make is that  
21   we are using recycled wastewater. The Pleasant  
22   Grove Wastewater Treatment Plant process is  
23   wastewater into what's called the tertiary  
24   treatment. We will take that water and use it for  
25   makeup waster for the cooling of the power plant.

1           And we will have what's called a zero  
2   liquid discharge system for the facility. That  
3   means that water is continuously recycled, and  
4   then eventually reduced to just the solids that  
5   are in the water, so no liquid water is discharged  
6   from this facility.

7           And I think I already mentioned that  
8   we're using these gas turbine combined cycles.  
9   I'll talk about combined cycle in a minute, but  
10   it's a very high efficiency application for  
11   producing power. We get the most megawatts from  
12   the power plant using the smallest amount of gas,  
13   so it's a very high efficiency cycle.

14           I don't know if you can all see this, it  
15   is in the information packet -- although not in  
16   color -- but I'd like to just walk through some of  
17   the key elements in this simplified system  
18   schematic for the power plant, just to give you  
19   some basic understanding of what the power plant  
20   consists of.

21           And if I can hold this steady enough, I  
22   might be able to point out -- the natural gas in  
23   introduced to the combuster here. Combustion air  
24   is drawn through the facility here, is filtered  
25   and then cooled using what's called evaporative

1 coolers. We cool the inlet air because that  
2 improves the efficiency of the machine.

3 At this location the fuel and air are  
4 mixed and burned. The expansion of the gases  
5 through these blades cause a spinning of the  
6 turbine that drives the generator and produces  
7 electricity to the Roseville electric grid.

8 You'll notice this red color indicates a  
9 very hot gas. The temperature of that gas is in  
10 the neighborhood of 1000 degrees. Well, there's a  
11 lot of energy in that gas, and what we do is use  
12 what's called the heat recovery steam generator,  
13 where water is fed into this boiler, into this  
14 heat recovery steam generator, to produce steam.

15 The steam is then directed to a steam  
16 turbine here, that spins another generator to  
17 produce more electricity up to the grid. So  
18 without adding any more fuel we are able to  
19 capture an additional 50 percent of the energy  
20 through the heat recovery steam generator and the  
21 steam turbine generator.

22 The need for water comes with, with  
23 what's called the cooling tower, where we get the  
24 recycled water from Pleasant Grove Wastewater  
25 Treatment Plant to make up evaporative losses.

1 And we recycle that water, and we have a zero  
2 liquid discharge system indicated schematically  
3 here.

4 And that water cools the steam and  
5 condenses it into steam, so it's re-injected back  
6 to the heat recovery steam generator, in a closed  
7 loop.

8 After the heat is extracted from this  
9 gas, the gas is released to the atmosphere at  
10 about 170 degrees. So all that differential in  
11 temperature goes into producing more electricity.

12 To the right of this box, it's called a  
13 continuous emissions monitoring system -- I just  
14 want to point that out, there is continuous  
15 monitoring of the emissions from this facility.  
16 The records are kept, the power plant has to be  
17 within specified boundaries during the entire  
18 operating life of the facility.

19 Well, that's just a simplified schematic  
20 intended to give you some idea of what the power  
21 plant consists of, some of the major elements.  
22 And with that I'd like to wrap it up and turn it  
23 back to Susan.

24 MR. TOOKER: Could you just take a  
25 moment and also describe where the SCR is located

1 and how it functions?

2 MR. HREN: Yes, I'd be glad to. Let me  
3 get my pointer. In the heat recover steam  
4 generator, that's this device here, there are two  
5 different catalysts. One is called the CO or  
6 carbon monoxide catalyst, and it reduces carbon  
7 monoxide content to the gas.

8 And there's a second catalyst called an  
9 SCR, selected catalytic reduction, it's a catalyst  
10 that reduces the nitrous oxide. So as the gases  
11 pass through and are cooled, they are reduced in  
12 temperature to the point where the catalyst can  
13 function and remove the various emission  
14 constituents.

15 HEARING OFFICER GEFTER: And later we'd  
16 ask the Placer County APCD representatives to  
17 explain to us the regulatory system under which  
18 you are operating. In fact there are emission  
19 limits that are required by the district and that  
20 the Applicant's proposal intends to meet. Does  
21 anyone have any other comment at this point?

22 Ms. Grenier, is there anything other  
23 from the Applicant? Okay. Then we'll move on and  
24 ask the staff to explain the process by which they  
25 will be reviewing this project. Mr. Eller?

1           MR. ELLER: Thank you. I've got a  
2   Powerpoint presentation which we should have up  
3   shortly.

4           Again, I'm Bob Eller, I'm Project  
5   Manager for Commission staff for this project, and  
6   I'd like to talk this evening about the steps that  
7   we'll be going through over the next few months to  
8   review the project.

9           What's the purpose of the siting  
10   process, and sort of our Mission Statement, comes  
11   from Public Resources Code Section 25525001.

12          And it's "to ensure that a reliable  
13   supply of electrical energy is maintained at a  
14   level consistent with the need of such energy for  
15   the protection of public health and safety, for  
16   the promotion of the general welfare, and for the  
17   environmental quota on quality protection."

18          The Energy Commission's role is we are  
19   the permitting authority for any thermally derived  
20   power plant of 50 megawatts or greater proposed  
21   for construction in California, and all of the  
22   related facilities that might be associated with  
23   that facility, such as transmission lines, water  
24   supply lines, natural gas pipelines, waste  
25   disposal facilities, and access roads.

1           And we act as the lead agency for the  
2   California Environmental Quality Act, or CEQA, in  
3   the review of the project.

4           This is an overview of the basic three-  
5   step licensing process. The first part of the  
6   process, step one, is data adequacy. When the  
7   Application was received by the Commission our  
8   staff reviewed it and made a recommendation to the  
9   Commission for data adequacy, that it contained  
10   the minimum amount of information necessary to  
11   begin our analysis.

12           And the Commission decided, December  
13   17th, to declare the data accurate. Which began  
14   step two of the process, which is staff's  
15   discovery and analysis.

16           And that includes data requests, which  
17   we sent to the Applicant earlier this month,  
18   workshops -- we held our first workshop this  
19   morning at the Commission on the data requests,  
20   and our staff assessments. We'll be filing both a  
21   preliminary and a final staff assessment in the  
22   course of the review of this project.

23           Finally, after that's concluded, there  
24   will be evidentiary hearings and a decision, which  
25   will be conducted by the Committee. They'll be

1 holding the evidentiary hearings in the local  
2 area, and will produce their PMPD, or Presiding  
3 Member's Proposed Decision, and that will go to  
4 the full Commission for a decision.

5 Let's talk about step two, the staff's  
6 discovery and analysis. We determine whether the  
7 proposal complies with laws, ordinances, standards  
8 and regulations, or what we call LORS.

9 We conduct an engineering and  
10 environmental analysis of the proposal to identify  
11 any issues, evaluate any alternatives to the  
12 proposal, identify mitigation measures where  
13 necessary, and recommend conditions of  
14 certification.

15 We also facilitate public and agency  
16 participation in the process, and we produce the  
17 staff assessment -- preliminary and final staff  
18 assessment. And also make recommendations to the  
19 Committee via those assessments.

20 This is kind of a diagram of the  
21 information flow during staff discovery and  
22 analysis. The two boxes at the top are  
23 Intervenor and Public, are assisted by the Public  
24 Advisor in providing information to the staff  
25 assessment, and our eventual testimony before the



1 Committee. Also the Applicant and local state and  
2 federal agencies provide input to staff.

3 We coordinate with a number of local and  
4 federal and state agencies. We work closely, for  
5 example, with the City of Roseville, Placer  
6 County, Placer County Air Quality Management  
7 District.

8 At the state level we're working with  
9 the Regional Water Quality Control Board, Air  
10 Resources Board, California Department of Fish and  
11 Game. At the federal level with U.S. Fish and  
12 Wildlife Service and U.S. Environmental Protection  
13 Agency.

14 Step three. After staff has concluded  
15 its analysis the Committee will gather testimony  
16 from the parties at the evidentiary hearings. The  
17 Committee will then issue the Presiding Member's  
18 Proposed Decision, or PMPD, which contains  
19 findings related to the environmental impacts,  
20 public health, and engineering of the project, and  
21 the project compliance with all the local  
22 ordinances, regulations and standards.

23 The Committee will recommend conditions  
24 of certification for the project, and will  
25 recommend whether or not to approve the project.

1 That decision will go to the full Commission of  
2 all five members, and they will vote in a public  
3 meeting on whether or not to approve the project.

4 If the project is approved the  
5 Commission will monitor the compliance with all  
6 the proposed conditions, for the life of the  
7 project, and that would include also the closure  
8 of the facility.

9 Again, we have a diagram showing the  
10 relationships during the evidentiary hearings.  
11 The Intervenors and Public are assisted by the  
12 Public Advisor in providing to the Committee  
13 information during that process.

14 Also, staff testimony, the Applicant's  
15 testimony, and local, federal, and state agencies  
16 will be able to add their information to the  
17 process so that the Committee can have a well-  
18 rounded decision.

19 Let's talk about the public process.  
20 You've heard about a lot of this this evening, but  
21 one more time. We have a very open and public  
22 process, all of our workshops and hearings are  
23 noticed ten to 14 days in advance and sent to all  
24 the available mailing lists. If you've signed up  
25 to be on a mailing list you will get notices of

1 those meetings.

2 All of our documents are available for  
3 public review at public libraries in the Roseville  
4 area, and also at libraries in Sacramento, Los  
5 Angeles, San Francisco, San Diego, Fresno, and  
6 Eureka, and the Energy Commission library in  
7 Sacramento.

8 All of the information is also  
9 posted on our website, at www. and you can see the  
10 rest of it there. There are also copies there on  
11 the table, I'll leave this up for a couple of  
12 minutes. And then also the Docket Unit at the  
13 Energy Commission at 1516 Ninth Street.

14 Ways you may participate. You may  
15 submit written comments or statements to the  
16 Commission. You may provide oral comments at any  
17 public meeting. You can become a formal  
18 Intervenor, and you would need to talk to Ms.  
19 Margret Kim, our Public Advisor, about that. Or  
20 you can provide written comments on the  
21 preliminary and final assessment to staff.

22 Again, there's the list of contacts. I  
23 will leave that up on the board. It also includes  
24 our web page. And I would look to the audience,  
25 if there's any questions? Mr. Tooker?

1           MR. TOOKER: Yes, could you explain how  
2 and when you hold workshops, I mean, where and  
3 when you hold workshops.

4           MR. ELLER: Workshops are held as  
5 needed, generally relating to activities of, like  
6 a data request or a data response. Also, we will  
7 hold public meetings on our preliminary and final  
8 staff assessment. Those will be held in the local  
9 area, either at the Commission or here in  
10 Roseville, depending on the need for public  
11 interest.

12          MR. TOOKER: And if you have public  
13 interest do you try to schedule those in the  
14 evening so they can attend?

15          MR. ELLER: Absolutely.

16          HEARING OFFICER GEFTER: The other  
17 point, if members of the public want to view any  
18 of the filings. In addition to the libraries that  
19 you mentioned, most of the documents are on the  
20 web page. And the way the web page is set up is  
21 that it lists the staff's documents. It also  
22 lists the Applicant's documents, and also the  
23 Intervenor's documents. And most of those  
24 documents can be viewed on the web page.

25          MR. ELLER: The complete Application

1 that was filed to the Commission is on the website  
2 for viewing at this time. I would recommend a  
3 very fast connection. Anything else?

4 HEARING OFFICER GEFTER: Yes. We're  
5 going to go on later to the issues, but before we  
6 do that, as we've discussed already many times  
7 this evening, this application review process is a  
8 public proceeding in which members of the public  
9 are encouraged to offer your views on the plant.  
10 And the Committee invites comments from the  
11 community on any aspect of the project.

12 As I mentioned earlier, members of the  
13 public may intervene as formal parties, and Ms.  
14 Kim, at this point, our Public Advisor, will  
15 explain to you the intervention process. And also  
16 explain what other activities she's engaged in  
17 recently to make contact with members of the  
18 community. Ms. Kim?

19 PUBLIC ADVISOR KIM: Yes. I will make  
20 my presentation now. Good evening, my name is  
21 Margret Kim, I'm the Energy Commission's Public  
22 Advisor. I am here with my Associate Public  
23 Advisor, Mike Monasmith.

24 I know it's getting late and some of you  
25 may feel you have an informational overload, but

1     what I'm about to tell you is probably one of the  
2     most important things for you to remember and take  
3     home with or back to your community. A couple of  
4     things. One is what I do and how I can help you.  
5     And two is how you can participate.

6             Before I begin, I would like to see a  
7     show of hands. How many of you have participated  
8     in the AFC Power Plant Siting Process before?

9     Well, the rest of you, you're not alone, but rest  
10    assured you're in good hands, and I will be giving  
11    you my undivided attention.

12            So back to what do I do, what is the  
13    Public Advisor's role? I am an attorney,  
14    appointed by the Governor, to advise both the  
15    Commission as well as the members of the public on  
16    public involvement, public participation. It's my  
17    job and responsibility to make sure you have  
18    opportunities to meaningfully participate in the  
19    Energy Commission's siting process.

20            The definition of the word "public"  
21    under the statute is rather broad. It includes  
22    not only individual citizens, but organizations,  
23    companies, and even other governmental agencies.  
24    So I cannot represent you as your lawyer, and I  
25    can't take a substantive position on the matter.

1     However, indeed I am an advocate for the process.

2             So what does that mean? That means that  
3     I will be guiding you through the legal process to  
4     make sure that your voice is heard. Some of you  
5     may be wondering why would the Energy Commission  
6     be so eager in getting the public's input? The  
7     answer is rather simple. We make better  
8     decisions, because we'll be better informed  
9     through you.

10            Moving on to the second point I want to  
11    make, so how can you participate? Some of you may  
12    be wondering, does it really make a difference if  
13    I participate, can I really influence the  
14    decision? And the answer is yes you can. There  
15    are two ways. One is by making public comments,  
16    two is by intervening and becoming a party. And  
17    let me explain this to you.

18            You, as a public member, you can always  
19    make your public comment, from the very beginning  
20    of the process, like now, up until the very end.  
21    But of course we want to encourage you to  
22    participate early on because it wouldn't be so  
23    helpful if you showed up at the very final hearing  
24    to raise an issue.

25            When you make the public comment it will

1 be docketed, which means it will be filed and made  
2 into a record for the proceeding. And it will  
3 become part of the administrative record. And if  
4 you show up at any hearing, and if it's admitted,  
5 then it will become part of the hearing record.  
6 So the administrative record is here, this Y, and  
7 then there is a hearing record.

8           What does that mean? What I'm really  
9 trying to tell you is that the public comment that  
10 you make will support or explain the decision by  
11 the Commission. However, it's different from  
12 having an Intervenor, the party.

13           If you become an Intervenor, if you  
14 become officially a party, that comes with certain  
15 rights and obligations. The right that you will  
16 have is the right to offer sworn statements,  
17 testimony, and related exhibits. And these are  
18 taken under oath.

19           And also you have the right to file  
20 motions, briefs, you have the right to object.  
21 And when the Commission makes its decision it must  
22 rely on such evidence that was given under oath.  
23 So the decision itself must be based on the  
24 partie's evidence.

25           So the difference is here's the public



1 comment, which can support and explain the  
2 decision. But if you provide evidence, testimony  
3 under oath, as a party, then that itself can be  
4 used for the decision.

5 Now it also comes with obligations and  
6 duties, as an Intervenor. And that means you may  
7 have to respond to informational requests, data  
8 requests. You also may be subject to cross-  
9 examination, as much as you have the right you  
10 will also be subject to cross-examination. And  
11 also you have to comply with what's called filing  
12 and service, which means you have to serve other  
13 parties, you have to make copies.

14 Of course, if you have financial  
15 hardship and you petition the Commission, and if  
16 they grant you that status, then the Commission  
17 will be responsible for making the copies and  
18 providing that service.

19 So how can I intervene and when? Well,  
20 I have a sample here, and Mike also has a sample,  
21 for you to take a look at. You can intervene by  
22 filing a petition.

23 And when should you intervene? The  
24 sooner the better, but I believe depending on the  
25 Hearing Officer, the cutoff point is prior to the

1 pre-hearing conference.

2 I brought with me three handouts. One  
3 is on acronyms and definitions. If you're  
4 confused that should be helpful. And second is  
5 question and answers. Q and A is basically about  
6 intervenor versus providing public comment. And  
7 third, on when and how to get information on the  
8 project and how to contact the Public Advisor's  
9 office.

10 That really concludes my presentation,  
11 but I'd like to remind you if you would like to  
12 make public comments this evening please complete  
13 the blue card. All you have to do is write your  
14 name and hand that over to us. Thank you.

15 HEARING OFFICER GEFTER: Thank you Ms.  
16 Kim.

17 MR. TOOKER: I wanted to follow up and  
18 emphasize one aspect of the public process that I  
19 think is very important for you to understand.  
20 And that is that, as we said earlier, the staff  
21 has to perform an independent analysis of the  
22 project.

23 And part of that process is to conduct  
24 public workshops in which they discuss issues and  
25 information requirements or requests with the

1 Applicant.

2 Those are great opportunities for you to  
3 get involved early, and raise any concerns you  
4 have or ask questions you have, because the  
5 Committee will be expecting the staff analysis to  
6 be responsive to the concerns and issues that are  
7 raised during that workshop process by members of  
8 the public.

9 And also many of the issues on projects  
10 are resolved in that workshop process, and all of  
11 those workshops are held before the hearings  
12 begin. So there's a terrific opportunity for you  
13 to participate and influence that process early  
14 on, and expect that staff will be listening to and  
15 respond to your comments. Thank you.

16 HEARING OFFICER GEFTER: I also want to  
17 support what Mr. Tooker has explained. When you  
18 file public comments it is preferable if they are  
19 written comments, because then it is filed in our  
20 docket, and it becomes part of the administrative  
21 record, as Ms. Kim indicated. And also the staff  
22 would respond directly to those comments in their  
23 staff assessments.

24 MR. ELLER: If I might add, Mr. Gefter,  
25 I have my e-mail address up there, and if you want

1 to provide comments via e-mail I will make certain  
2 they are docketed into the record and filed.

3 HEARING OFFICER GEFTER: Yes, absolutely  
4 you may file your comments via e-mail by written  
5 form, either to Mr. Eller or to Ms. Kim, and they  
6 will all be responded to as feasible in the staff  
7 assessment. Thank you.

8 In fact, on this point on our agenda I  
9 set aside time for public comment. And if our air  
10 quality , the air district's representatives will  
11 stay a little longer, we'll welcome further comment  
12 at this point, because you may have a number of  
13 questions based on what you've heard so far.

14 I don't have any blue cards, but you're  
15 welcome to come forward. In fact, Mike has some  
16 blue cards for us, so I will call the names of  
17 those who filled them out. Thank you. Okay.

18 Well, the first person I have is Mr.  
19 Fred Lohse, resident of Roseville. And if you  
20 have some questions or comments, why don't you  
21 come up to the microphone at this point, and we  
22 will try to answer your questions?

23 MR. LOHSE: Thank you for this  
24 opportunity. I would like to find out, you spoke  
25 to the matter of things being recorded if you

1 submit things in writing and they become part of  
2 the record. I was given to understand that a  
3 transcript was going to be prepared based upon  
4 this evening's presentation, so that questions or  
5 issues raised at this time will also become part  
6 of the record, is that correct?

7 HEARING OFFICER GEFTER: That is  
8 correct, yes.

9 MR. LOHSE: I only have one major  
10 concern, and that is dealing with air quality.  
11 And I would hope that anybody that would raise any  
12 questions about anything related to this process  
13 would not be looked upon as being negative,  
14 because I certainly don't like to have that image  
15 held of me, but nevertheless, with open hearings  
16 and open listening, some communities -- not  
17 Roseville of course -- but if you raise questions  
18 you're not seen as the right type of person for  
19 that issue.

20 So, air quality is a serious issue for  
21 all of us, and I hope it will get the attention  
22 that it so richly deserves. I assume that issues  
23 about the amount of emissions and where the  
24 Commission's credits will be garnered from, the  
25 actual impact on the neighborhoods and the

1 communities which is going to be impacted -- which  
2 I understand from prevailing wind situations  
3 Roseville won't be too much affected but other  
4 communities may well be affected.

5 I would hope that those people in the  
6 neighboring communities will be kept apprised of  
7 the potential impacts of degraded air quality and  
8 how this might affect them. So I just want to  
9 bring up that issue and just ask that it be given  
10 a full hearing, and I know that it will. And I'll  
11 look forward to the full results when the time  
12 comes. Thank you.

13 HEARING OFFICER GEFTER: Thank you. And  
14 in fact there will be a complete air quality  
15 analysis for the six mile area that will be  
16 included in the staff's analysis. And also the  
17 air district will participate in that analysis. I  
18 have also a card from Mr. Rod Smith, from NEC  
19 Electronics.

20 Will you come up to the microphone  
21 please?

22 MR. SMITH: Well, I'd like to say that,  
23 the first thing I'd like to say is that I'm a  
24 Registered Electrical Engineer. I'm the Senior  
25 Facilities Electrical Engineer at the plant, and

1 we're Roseville Electric's biggest customer.

2 And we're very, very concerned about  
3 power quality and any issues related to that.

4 We're convinced this project is a real win/win for  
5 Roseville and for us. And I also am a Roseville  
6 resident, and I feel the same way as a resident.

7 So we want to express our support for  
8 this project, and I also want to further say that,  
9 before I was at NEC -- I've been there since '94  
10 -- as a Registered Electrical Engineer I used to  
11 work for consulting firms. And I've dealt with  
12 power companies all over the United States.

13 And it's my honest opinion, and not just  
14 contrived opinion, but it's my honest opinion that  
15 Roseville Electric's the most capable one I've  
16 ever dealt with. And so, I, you know, have a very  
17 high confidence level that Roseville Electric will  
18 pull this off really well.

19 HEARING OFFICER GEFTER: Thank you for  
20 your comment. Let's see, Blaine Arrington? Yes,  
21 would you come forward and come to the microphone  
22 please?

23 MR. ARRINGTON: I do have a number of  
24 questions, and I won't take your time tonight. I  
25 can ask them, and my questions primarily will be

1 directed to the city, so as I say I won't take  
2 your time tonight.

3 But I would like to make one statement.  
4 There have been a number of declarations tonight  
5 that there is a need for additional electricity.  
6 And I'm not convinced. And I think it was that  
7 very popular comedian from another era who said  
8 "all I know is what I read in the papers."

9 And I recall about six months ago,  
10 reading in the paper, that two major power  
11 suppliers had declined to build power stations in  
12 the state of California because they felt the  
13 power supply was adequate now and for the  
14 foreseeable future. So, with that I'll close, and  
15 at some hearing I'll direct my questions to the  
16 city. Thank you.

17 HEARING OFFICER GEFTER: Thank you for  
18 being here this evening. And we'll go off the  
19 record.  
20 (Off the record.)

21 The next section of today's hearing, if  
22 there's no one else from the public who wishes to  
23 ask us any questions or make any comments, we're  
24 going to move on. But please feel free to let us  
25 know as we proceed through the rest of the



1 evening, if you have any comments just give us  
2 blue card.

3 The next topic is the Issue  
4 Identification Report, which was filed by our  
5 staff. And I believe copies were left out on the  
6 table. When you walked in, if you grabbed a copy  
7 of it.

8 And we'll ask Mr. Eller to proceed.

9 MR. ELLER: Thank you. I've just  
10 changed the slide to talk about the Identification  
11 Report, and it's purpose is to inform participants  
12 of potential issues identified by staff at this  
13 early date, and to provide an early focus for our  
14 staff review.

15 The criteria we use is that the impact  
16 may be difficult to mitigate. There may be a non-  
17 compliance problem with the local ordinance  
18 regulation or standard. Something might be  
19 potentially contentious, or it may impact the  
20 schedule.

21 In this project we identified two areas,  
22 air quality and land use. In the area of air  
23 quality staff raised concerns about the  
24 availability of offsets in the area, and the type  
25 being proposed for the project.

1           In our data request workshop this  
2 morning the Applicant identified that they are  
3 going to be providing some additional offsets, or  
4 at least they're identifying additional offsets in  
5 their data responses in early February so it may  
6 mitigate some of this concern.

7           In land use we identified concerns with  
8 the project and its location relative to schools  
9 in the area. Also in our workshop this morning we  
10 received information that a number of the  
11 alternative gas pipelines for the project were  
12 going to be taken off the plate, so to speak, and  
13 they would be going with an alternative that  
14 shouldn't -- based upon an early review -- impact  
15 some of the school sites that we have been  
16 concerned about.

17           So that issue is also moving along.  
18 Staff is prepared to update the Committee at the  
19 earliest opportunity at our status report  
20 following receipt of the data responses.

21           MR. TOOKER: Can you clarify, in terms  
22 of the land use conflict, is that with respect to  
23 the related facilities or to the power plant  
24 itself?

25           MR. ELLER: It's related facilities

1 generally, at this point.

2 HEARING OFFICER GEFTER: I'd like to ask  
3 representatives from the air district to come  
4 forward at this point, and perhaps you can give us  
5 an overview as to your role in reviewing the  
6 project. I know there are a number of questions  
7 regarding air quality on this issue.

8 Please tell us your name again?

9 MR. FINNELL: My name is John Finell  
10 with Placer County Air Pollution Control District.  
11 I'm the Senior Air Pollution Control Engineer at  
12 the District, primarily responsible for issuing  
13 permits for the county. We have our other  
14 engineer, Don Duffy, in the audience if we have a  
15 question.

16 I don't have a prepared spiel or  
17 anything tonight, but generally, a quick overview,  
18 and then if the Commission has questions.

19 Essentially, the air district does not  
20 issue the permit or certification for this power  
21 plant, that obligation and authority is delegated  
22 to the CEC.

23 Power plants under 50 megawatts would be  
24 reviewed by the district and permits issued as the  
25 district rules. There are several power

1 generating activities in the county, and this will  
2 be another one if it is approved.

3 Essentially our goal is to review the  
4 air quality section, emission analysis, control  
5 equipment, and determine if it meets the  
6 district's rules and regulations, the state's  
7 rules and regulations, and the EPA's rules and  
8 regulations related to air quality. So  
9 essentially our role is technical analysis.

10 And we prepare an engineering analysis,  
11 it's called a Preliminary Determination of  
12 Compliance, with our rules, based on what we see  
13 in our experience with the air quality, and with  
14 the control equipment, and provided that to the  
15 CEC.

16 That will go out to public comment. We  
17 would expect that -- there's a schedule -- and if  
18 the CEC's contract stays on schedule, several  
19 months from now. Following that, if it continues  
20 through the process, we would have a final  
21 Determination of Compliance.

22 Essentially it's a technical document.  
23 An analysis partly of the AFC Application, that's  
24 already available, has the proposed emissions and  
25 proposed controls already in it. It's an

1 evaluation of what the Applicant's proposing.

2           The issues regarding offsets are a major  
3 issue in any large project. This would be  
4 considered a major project in our air quality  
5 definition. They are difficult to obtain, but  
6 essentially it means that somebody else has to  
7 shut down air pollution somewhere else. And there  
8 are certain rules and means to apply those to a  
9 project.

10           It's a fairly strict process. It's  
11 guided, and EPA essentially sets very strict  
12 protocols for determining and issuing those  
13 offsets. We call them emission reduction credits.

14           So we are very concerned about the type  
15 of credits and what's being provided. We do have  
16 a list of offsets that the Applicant is exploring  
17 to offset the increase in emissions from this  
18 project, and that's currently under review.

19           To kind of back up a little bit, we  
20 receive a separate application as though they were  
21 applying for a permit for the district, currently  
22 with a confidential listing of those offsets,  
23 which will be made public at some point in time.

24           So our goal is to go through with the  
25 preliminary, which recommends conditions to the

1 CEC if they were to approve the project, and then  
2 later with a final Determination of Compliance,  
3 and then the CEC makes their evaluation and their  
4 decision on the air quality section.

5           So we don't have the final decision with  
6 this, but we do act -- since we're the most  
7 familiar with our local rules and with the  
8 situation in the county and air quality -- to do  
9 an evaluation of that data. And it's strictly a  
10 technical evaluation. It has nothing to do with  
11 whether we do or don't like the plant, or our  
12 energy needs. It's strictly on air quality.

13           HEARING OFFICER GEFTER: Okay. A  
14 couple of questions. When you mentioned the final  
15 Determination of Compliance, that in fact serves  
16 as an in lieu ATC, Authority To Construct permit,  
17 that the air district would ordinarily issue if  
18 you were the permitting agency.

19           MR. FINNELL: That's correct.

20           HEARING OFFICER GEFTER: Which means  
21 that the air district does the same analysis it  
22 would do if you were the permitting agency.

23           MR. FINNELL: That's correct.

24           HEARING OFFICER GEFTER: And also, I  
25 wonder if you could explain a bit about the offset

1 protocol, for those who aren't familiar?

2 MR. FINNELL: For this project the  
3 Applicant is required to estimate what the air  
4 emissions are from the project on a quarterly  
5 basis. And they've also predicated it on a daily  
6 and other bases.

7 We look at certain types of air  
8 pollutants, and if they are over a minimal level  
9 then they are required to submit a certificate,  
10 actually, where somebody else has shut down air  
11 pollution. Or, if Roseville Electric had a  
12 certified shutdown of some other major equipment  
13 they could provide that to us too if they'd had it  
14 certified.

15 But essentially we have a rule in place  
16 on how that's done, and normally it's a facility  
17 is operating and they've added some equipment to  
18 reduce emissions or actually shut down equipment  
19 or obtain a certification that they had done this  
20 and it wasn't required by law. So that it was an  
21 unrequired reduction in emissions.

22 We take a certain percentage for air  
23 quality benefit, and then the project here, if the  
24 credits were not obtained onsite -- which there's  
25 nothing onsite -- they're obtained offsite, we

1 have a ratio where it's essentially discounted.  
2 It's called an offset ratio. It can be as high as  
3 two to one or maybe even higher.

4 So if you have a pound of air pollution  
5 caused by the plant, and that plant is over the  
6 minimal levels -- I really don't want to get into  
7 the details unless somebody want's to talk numbers  
8 -- but generally speaking, if there's a pound  
9 issued at the plant emissions in a quarter, then  
10 we require them to find some other place where  
11 they've shut down a pound of emissions plus this  
12 ratio.

13 And plus then those other people got the  
14 credits we take, and the quantity is approximately  
15 five percent minimum from the credit.

16 So essentially there's a process for  
17 people, really the whole program -- and the whole  
18 program is a region wide program -- is intended to  
19 get people to shut down air pollution or reduce  
20 it, but obtain some certification, where they can  
21 start up another plant, or somebody else can start  
22 up another plant.

23 It's fairly difficult to explain in a  
24 short period of time, and I'm struggling with it  
25 without getting into technical details like us



1 engineers like to, but essentially the intent is  
2 that if there's an increase, then somewhere else  
3 there is a decrease or had been a decrease, and  
4 that was certified by the district, but it's not  
5 only certified by the district, so this  
6 certification process is reviewed by the Air  
7 Resources Board and by the USEPA.

8           So it goes all the way up and down the  
9 line before we issue those certain cases. It's  
10 very difficult to obtain. You can't just, "oh  
11 I've shut my engine down and give me a pollution  
12 certificate." It's a very difficult process to  
13 obtain those.

14           There is, available from our office or  
15 from Sacramento County or from other nearby  
16 counties, there is a list of people that have  
17 obtained that certification. Those credits are  
18 owned by either private parties, mostly by  
19 businesses for future expansion, and they are  
20 allowed to sell at whatever the market will bear  
21 to Roseville Electric for their project.

22           It's a fairly tight market and difficult  
23 to obtain. We do have a listing from Roseville  
24 Electric for what they intend to explore for this  
25 project. And the overall register amount out

1     there shows there's enough to offset the project.

2             It's just a question of whether they can  
3     obtain those, and what the amount is. The  
4     gentleman suggested that, regarding to obtaining  
5     those as near as possible, and its kind of --  
6     that's somewhat forced by the whole program --  
7     because if you move too far away from the plant we  
8     make you provide more emission credits, which  
9     essentially increases the cost for the Applicant.

10            So it's a fairly complicated process,  
11     but our goal is to not only have a tradeoff of one  
12     to one per pound of air pollutant for the region  
13     -- this is kind of a regional program -- but  
14     there's more than one to one. The number's been  
15     thrown out, 1.3, but generally it goes higher than  
16     that. So essentially the idea is that there's a  
17     net tradeoff.

18            The other issue, that's not addressed by  
19     the credits, is the local impact. That's a  
20     different situation. So we try to address that by  
21     requiring the Applicant to provide the lowest  
22     emitting equipment possible, and that's what our  
23     review -- we look at that during the review --  
24     what is currently available beginning the time  
25     they file with us, which is early November.

1           We received it right after the  
2   California Energy Commission received that. So  
3   that kind of fixes the time for the district  
4   review. There's new equipment available, it's  
5   kind of hard to keep changing the equipment during  
6   the application. But we will look in detail at  
7   each type of emission, on each point, and how its  
8   being offset.

9           MR. TOOKER: One question. Once you've  
10   completed your analysis, what is the typical scope  
11   of conditions that you would include in a  
12   Determination Of Compliance?

13          MR. FINNELL: Generally we have  
14   operating conditions, which requires certain  
15   things like the amount of gas that can burn in a  
16   quarter or a day, the amount of fuel. The  
17   temperatures, operating ranges, how the control  
18   equipment, which is some of the catalyst, the  
19   injection systems they're talking about, how that  
20   equipment is to be operated within a range.

21          Generally we're looking at the  
22   manufacturers spec because we can't possibly  
23   design it, that equipment is very complicated. So  
24   we have operating conditions. They're required to  
25   keep records that they've maintained and kept up

1 the equipment so that we don't have equipment that  
2 works fine when they got it from, whoever they  
3 bought it from.

4 So we make sure that it's maintained for  
5 air quality benefit. And the conditions on what  
6 the emissions would be. Generally it's done on a  
7 short-term basis, which would be hour, three hour  
8 basis, and then a longer term basis in terms of  
9 the pounds of air pollutants. So it's actually a  
10 fairly extensive list, and sometimes it gets hard  
11 to read.

12 But the Applicant and the operators,  
13 we'll make sure they understand what we're  
14 proposing and what the CEC is proposing.

15 HEARING OFFICER GEFTER: Thank you. And  
16 I also wanted to mention again the preliminary  
17 Determination Of Compliance and the final  
18 Determination Of Compliance which are issued by  
19 the air district in this proceeding will be made  
20 available for comment.

21 And they are filed at the CEC, so they  
22 would be available at the CEC -- which is the  
23 Energy Commission, if anyone wondered what CEC  
24 stood for -- and also the air district also sends  
25 out notices themselves, right? You send out a

1 notice yourself that these documents are available  
2 for public comment?

3 MR. FINNELL: We typically notice that  
4 in the newspapers.

5 HEARING OFFICER GEFTER: That's right.

6 MR. FINNELL: If anybody would like, we  
7 have a mailing list, we'd be glad to put you on  
8 our mailing list, we can take care of that too.  
9 So we can do it both ways.

10 HEARING OFFICER GEFTER: Thank you. And  
11 I notice it's getting very late. Thank you for  
12 staying this evening. On the Land Use issue, I  
13 was wondering if Mr. Chris Grimes is still here,  
14 and whether you could come forward a little bit  
15 and tell us what the school district's concerns  
16 were, and whether they can be resolved at this  
17 point.

18 MR. GRIMES: The issues that we  
19 encounter in school site approval for a public  
20 high school, and for an elementary school for that  
21 matter, are regulated by the Department of Toxic  
22 Substances Control. And the California Department  
23 of Education.

24 Before we are allowed to begin  
25 construction of a school site we are required to

1 obtain approval from those two agencies. And that  
2 process requires that our board make a finding  
3 that there is not a threat to public health or  
4 students. We also have to make specific findings  
5 on power transmission lines and pipelines.

6 The primary area of concern, as we've  
7 moved through the planning on this site for now  
8 almost three years, would be emissions from the  
9 stack and the proximity of pipelines to the  
10 schools.

11 We've been able to deal with the  
12 pipeline issue with the siting of our high school  
13 property, where -- we don't own the property yet,  
14 we're still in negotiations for acquisition. So  
15 pipelines currently do not appear to be a problem.

16 The other issue then would be air  
17 quality, and ensuring that the risk assessment and  
18 emissions analysis in the approval process  
19 adequately provides information that we can then  
20 gain the approval from DTSC and CDE, and move  
21 forward with construction.

22 Our main concern is that we don't want  
23 to get right up to the time that we're ready to  
24 start construction, after approximately a seven  
25 year period, and be shut down as the result of the

1 power plant in proximity to the school site.

2 HEARING OFFICER GEFTER: Thank you. And  
3 again, as part of the air quality analysis,  
4 sensitive receptors such as schools are considered  
5 in the analysis, and I'm sure the school district  
6 will be working with our staff and the air  
7 district staff to address some of those concerns.  
8 Thank you.

9 I also, thanks to our site visit, we  
10 were talking about the gas pipeline for a minute,  
11 and there is an interconnection point where the  
12 project's proposed gas pipeline will interconnect  
13 with the PG&E pipeline.

14 And there was a station that we passed  
15 during the site visit which does not look like the  
16 security fence is up to CPUC standards. And I  
17 mentioned to the Applicant that, because they will  
18 be interconnecting there, it becomes part of the  
19 project that we will review.

20 So I wanted to bring it up at this  
21 point, both to the Applicant and staff, that they  
22 take a look at that location, and ensure that, in  
23 fact when the interconnection does occur, that the  
24 security fence is upgraded to comply with CPUC  
25 standards.

1           At this point there is no fence, the  
2   fence is falling apart it looks like. And also  
3   there is no topping around the fence to protect  
4   from anybody climbing in there. And since it was  
5   near residential area it needs to be looked at.  
6   And I would hope that, by the time we get to  
7   preliminary assessment, the Applicant and staff  
8   have come up with a plan for that.

9           Also, I understand that -- the next  
10   topic that I want to bring up, and this is a  
11   transmission system which was not mentioned in  
12   staff's Issue Identification Report, but it is of  
13   interest to Commissioner Geesman, and he would  
14   have brought this up this evening if he had been  
15   able to attend.

16           We are very concerned about the impacts  
17   perhaps, or the relationships with Western.  
18   That's the -- and whether or not there will be an  
19   interconnection with Western, or whether there  
20   will be impacts as a result of the  
21   interconnection.

22           I understand that, at this point staff  
23   and the Applicant are still working on the  
24   interconnection point, whether it's going to be a  
25   60 -- and Mr. Habashi, maybe you can explain to us



1 more specifically what the alternatives are?

2 And what we would like to see is some of  
3 the discussion on what impacts would be if in fact  
4 you are interconnecting to the Western system.

5 Okay, Mr. Hren? Thank you.

6 MR. HREN: Sure. I'm not sure exactly  
7 what your question is. In our application we  
8 describe two possible scenarios, not only for  
9 transmission interconnection but for several other  
10 aspects of the facility that are with and without  
11 West Roseville.

12 With West Roseville the annexation  
13 that's proposed, and close to proper approval, if  
14 that goes forward, under that plan there will be a  
15 new transmission line built, and it actually would  
16 pass on what's called Phillip Road, which is  
17 between the water treatment plant and the power  
18 plant site.

19 So our interconnection is extremely  
20 short. It is to a 60 KV Roseville Electric  
21 distribution transmission line. That's their  
22 distribution voltage.

23 HEARING OFFICER GEFTER: Okay. I  
24 understand the 60 kilovolt line if in fact the  
25 West Roseville plan goes into effect. You

1 anticipate that line will be built by Roseville  
2 Electric to serve the new annexed area, right?

3 And if that doesn't go through then  
4 there's an alternative route where you would --

5 MR. HREN: Yes, I'll explain. The  
6 alternative if West Roseville does not go forward  
7 is that the power plant would be connected to the  
8 Fidamant substation -- we drove past it today --  
9 via, again, a 60 KV transmission line, which is  
10 the same voltage as the Roseville Electric  
11 distribution system.

12 HEARING OFFICER GEFTER: Okay. And  
13 Fidamant receiving station, is that PG&E or is  
14 that WAPA, Western?

15 MR. HREN: Well, it's Roseville Electric  
16 and Western.

17 HEARING OFFICER GEFTER: And at that  
18 point, that was my question, would there be  
19 impacts to the Western system if you interconnect  
20 at that Fidamant receiving station. If not at the  
21 receiving station then it would be downstream  
22 impacts.

23 MR. HREN: Yes, we could have the  
24 specialists talk about that. My understanding is  
25 we interconnect at the Roseville Electric voltage,

1 down at the --

2 HEARING OFFICER GEFTER: We don't need  
3 to get into great detail, but I wanted to bring it  
4 up because it needs to be clarified when we get to  
5 evidentiary hearings.

6 MR. HABASHI: Whether that's connected  
7 to the 60 KV or the 230 KV, you're right, it will  
8 have an impact on the Western system. And we have  
9 a Western representative over here, who can step  
10 forward and talk about it. He tells me that the  
11 report that he's working on is almost done, that  
12 will show what the impact of having the Roseville  
13 plant will have on the Western system.

14 That's very close to being done, and I  
15 believe it will be available probably in early  
16 February.

17 HEARING OFFICER GEFTER: Okay. I think  
18 that, once that's filed, then we'll have an  
19 opportunity to review it. And then if it does  
20 become an issue it will be discussed later in the  
21 process.

22 MR. HABASHI: That is correct.

23 HEARING OFFICER GEFTER: Okay let's do  
24 that. I just wanted to -- as I mentioned earlier,  
25 it is of interest to the Commissioner, and so I

1 would like some focus on that question in the  
2 review.

3 MR. GALATI: If I could just update one  
4 quick thing here is, you know, I think the easier  
5 way to describe this as well is if you put power  
6 into the grid it can flow different places, if I  
7 understand Mr. Geesman's concern.

8 If it flows over the Western system is  
9 it going to cause a problem? And again, we are  
10 doing that detailed facility study that, the  
11 system impact study, the detailed facility study,  
12 and actually staff asked us for a data request,  
13 and we're responding to that right now.

14 So I think that's going to be responded  
15 to very quickly.

16 HEARING OFFICER GEFTER: Okay, good,  
17 thank you. I'm glad we have that out there. And  
18 then if there aren't any other questions for the  
19 public, then we're going to move on to the  
20 scheduling plan. It doesn't look like -- oh, yes,  
21 why don't you come up to the microphones because  
22 we can't hear you from -- okay, why don't you come  
23 up to the microphone and introduce yourself.

24 MR. SABET: Yes, good evening. I'm  
25 Morteza Sabet, Manager of Transmission Planning

1 for Western. We actually looked at the two  
2 scenarios that you basically are requesting. Both  
3 230 interconnection at Fidamant, as well as 60 KV.  
4 60 KV was found to be a much better alternative.

5 Usually the supply and demand, if it is  
6 met at the lowest voltage, it is beneficial to  
7 transmission. That is our conclusion. That was  
8 actually addressed in the primary system study  
9 that was filed, but it is also further confirmed  
10 in the detailed facility study that we just  
11 finished today, and it will be filed with the  
12 Commission.

13 HEARING OFFICER GEFTER: Well, thank you  
14 very much. I also wanted to bring to the  
15 attention of both the Applicant and the staff  
16 about the possibility of undergrounding the  
17 transmission lines. I know there are 60 KV lines,  
18 and not 230 KV lines.

19 However, if the alternative for the West  
20 Roseville annexation goes through, and you'll have  
21 a 60 KV line, it looks at this point like it's  
22 going to be an above ground line, and I'm  
23 wondering whether you can address the alternative  
24 undergrounding of that line.

25 Don't need to do that tonight, but I

1 think that issue needs to be addressed by the time  
2 we get to the staff assessment.

3 MR. SABET: I was also going to  
4 suggest --

5 HEARING OFFICER GEFTER: And also,  
6 undergrounding the 60 KV line to Fidamant if that  
7 turns out to be the alternative.

8 MR. SABET: That's Roseville's call. I  
9 was going to suggest, this transmission is on  
10 Roseville's side of the system, so it's their  
11 prerogative to make that decision.

12 Any other questions?

13 HEARING OFFICER GEFTER: Thank you. Not  
14 right now, but we may ask you to attend our  
15 evidentiary hearing if we need you there.

16 MR. SABET: You bet, I'll be glad to do  
17 that.

18 HEARING OFFICER GEFTER: And again, I'm  
19 just bringing these issues up because they are of  
20 concern to the Committee, and they do need to be  
21 addressed in a workshop as we move through the  
22 process. And again, if any members of the public  
23 have questions, those questions can be responded  
24 to.

25 It's getting late. I'd like to move

1 along to the schedule proposed by staff for --

2 MR. GALATI: Ms. Gefter, can I just  
3 address one thing on the land use issue?

4 HEARING OFFICER GEFTER: Certainly.

5 MR. GALATI: I just want to make our  
6 commitment to the school district, that we're  
7 working closely with the CDE and the Department of  
8 Toxic Substance Control to make sure that their  
9 issues are addressed, so not only will the staff  
10 assessment address tha issue, but we're working  
11 closely to continue to report with you.

12 HEARING OFFICER GEFTER: Thank you. And  
13 all of that information will be made available to  
14 the public in documents filed by the Applicant,  
15 right?

16 MR. GALATI: Absolutely.

17 HEARING OFFICER GEFTER: All right.  
18 Thank you. Mr. Eller?

19 MR. ELLER: Ms. Gefter, staff filed,  
20 with the original Identification Report, a fairly  
21 complete schedule for the 364 day process in this  
22 case, because the proposed Business Meeting dated  
23 December 15th, will fall on the 364th date.

24 It's a little bit more detailed than the  
25 one I have on the screen right now, which shows

1 the basic information points for staff at this  
2 point, which would be the filing of our PSA in  
3 May, following the Determination of Compliance in  
4 mid-April from Placer County.

5 Workshops on the PSA conducted in mid-  
6 June, and then mid-July a Final Staff Assessment  
7 for the project. Those will also entail workshops  
8 in the local community for those assessments.  
9 From there our proposed schedule looks at  
10 evidentiary hearings beginning in early August,  
11 with again the decision in mid-December.

12 HEARING OFFICER GEFTER: And does  
13 Applicant have any question about this proposed  
14 schedule?

15 MR. GALATI: Actually we don't have any  
16 quesiton about it, I'd just like to make one  
17 comment. We support and agree that staff's  
18 schedule I think is reasonable and I think we can  
19 certainly hit those time lines.

20 We had a very productive workshop today.  
21 I think that our goal is going to be to continue  
22 to work with staff so that, come July 14th, when  
23 the Final Staff Assessment is produced, that it  
24 represents many points in agreement to simplify  
25 this for the Committee.



1           I'd just like to point out that the  
2 project is already designed in a way to take a lot  
3 of contentious issues off the table that other  
4 Applicants have had. So, while we agree with the  
5 schedule, we notice that the staff's original  
6 schedule had an actual end date, and we support  
7 that Final Staff Assessment, and hope that we  
8 bring to you something so easy to understand and  
9 with so few issues that the end date can be moved  
10 up.

11           HEARING OFFICER GEFTER: Yes, we've  
12 heard that already this evening. You know, we  
13 cannot predict how things are going to go through  
14 the end of the year, and there often are delays  
15 which are beyond the control of any of the  
16 parties, so we build the possibility of delay into  
17 the schedule.

18           And the Committee will issue the  
19 official schedule, you know, based on the  
20 discussion this evening. Usually the Committee  
21 schedule does not go past the date for the Final  
22 Staff Assessment, because then after the Final  
23 Staff Assessment is submitted the Committee will  
24 go ahead and schedule evidentiary hearings, and  
25 those dates are up in the air at this point. So

1 we cannot go beyond final staff assessment, and  
2 we'll see how it goes from there.

3 And again, the schedule from the  
4 Committee will be publicly filed in our Docket  
5 Unit, it will be on our web page, and if anybody  
6 wants to see it they can look it up on the web  
7 page. It doesn't go out to the mass mail list, it  
8 basically just goes out to the parties and stays  
9 in our docket. But we hope you will access our  
10 web page, or also contact our Public Advisor, who  
11 can tell you where things are in the process.

12 Also, I did have some housekeeping  
13 matters that I wanted to discuss with the  
14 Applicant and the staff in order to expedite the  
15 processes, as Mr. Galati indicated.

16 One of the things that would be very  
17 helpful to the Committee begins with the data  
18 responses. We keep talking about data requests  
19 and data responses. The data request is a series  
20 of questions proposed by the staff to the  
21 Applicant to answer some of the holes that they  
22 found in the application, in the "fill in the  
23 blanks."

24 And then the Applicant responds with  
25 what they call data responses. What I'd like to

1     see in the data responses is separate documents  
2     for each topic, so that when we get to evidentiary  
3     hearings I don't have an exhibit four that has  
4     like thousands of pages, and everything's all  
5     muddled together and I can't find the Public  
6     Health section and I can't find the Water section  
7     because all the questions are all mixed up.

8             So what I'd like to do, I'd like to  
9     request now, before you file your data responses,  
10    is that each section be filed as a separate  
11    document, so that your data responses on Water  
12    will be one document, and your data responses on  
13    Transmission will be a separate document.

14            And then when we get to the actual  
15    hearings they can be separate exhibits, and that  
16    will be easier for all of us to access that  
17    information. I also would request that the  
18    parties begin compiling their exhibits at this  
19    point, so that when we get to evidentiary hearings  
20    I don't get a huge pile of papers that are all  
21    mixed up together.

22            And I would prefer that, as you start  
23    compiling exhibits which include the data  
24    responses and documents, such as the information  
25    that you're going to get from the air district and

1 from Western and all the different agencies, if  
2 you would start compiling separate documents and  
3 putting them into separate files for us, by the  
4 time we get to evidentiary hearings things will be  
5 organized.

6 And I also request that staff do the  
7 same, because oftentimes staff gives me a big pile  
8 with a lot of testimony all piled together in one  
9 document.

10 When staff has supplemental testimony,  
11 or even when you do your PSA and you have  
12 supplemental testimony at the FSA, you can  
13 separate those documents out, so that if there's  
14 supplemental testimony on a particular topic that  
15 would be a separate document for me.

16 And the reason I'm discussing this is  
17 that, at the evidentiary hearings, like I  
18 mentioned in the early part of this evening, it's  
19 a quasi judicial proceeding, where every document  
20 that is proposed for our review becomes an  
21 exhibit. And we end up with boxes of what we call  
22 exhibits.

23 And it makes it a lot easier for the  
24 Committee to review those exhibits if they are  
25 separated, each topic in each particular document,

1 so that we can look at them separately.

2 So I'm proposing that the parties start  
3 doing that right away, so that by the time we get  
4 to evidentiary hearings our exhibits will be  
5 organized and it won't take us so long to get  
6 through the record.

7 Are there any questions?

8 MR. GALATI: We can do that.

9 HEARING OFFICER GEFTER: Thank you. and  
10 also, if you have any questions, you can contact  
11 me on that. Anything else?

12 MR. TOOKER: One other comment. With  
13 respect to the schedule, and speaking for the  
14 Committee, I think the two Commissioners will be  
15 the decision makers in the Committee's process.

16 They are looking forward to a timely  
17 process, and looking forward to the commitment of  
18 the public and the proponents and staff to provide  
19 timely input and timely resolution. And looking  
20 for opportunities for efficiencies in moving this  
21 process forward.

22 HEARING OFFICER GEFTER: Thank you. Are  
23 there any further comments from either the  
24 Applicant or the staff? Hearing none, this  
25 meeting is adjourned. Thank you for being here

1     tonight.

2     (Thereupon, the meeting ended at 7:08 p.m.)

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## CERTIFICATE OF REPORTER

I, ALAN MEADE, an Electronic Reporter,  
do hereby certify that I am a disinterested person  
herein; that I recorded the foregoing California  
Energy Commission Hearing; that it was thereafter  
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I further certify that I am not of  
counsel or attorney for any of the parties to said  
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IN WITNESS WHEREOF, I have hereunto set  
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